IN THE HIGH COURT OF PUNJAB AND HARYANA AT

CHANDIGARH

Civil Revision No.3052 of 1993

Date of Decision: 29.11.2006

M/s Jagatjit Distilling and Allied Industries Punjab

Petitioner

versus

State of Punjab

Respondent

CORAM:- **HON'BLE MR. JUSTICE JASBIR SINGH**

Present: Shri J.K.Sibal, Senior Advocate with
Shri Sapan Dhir, Advocate for the petitioner
Shri P.S.Chhina, Additional Advocate General, Punjab
for the respondent

Jasbir Singh, J. (Oral)

This revision petition has been filed against order dated 16.8.1993, vide which, application of the respondent, to extend period, for passing the award, by the Arbitrators, was allowed and period of four months was granted to pass the Award.

It is apparent from the records that the respondent State filed a suit for recovery of an amount of Rs.2,31,682/- against the petitioner. The petitioner then moved an application under Section 34 of the Arbitration Act, 1940, with a prayer that the matter be referred to the Arbitrator. Application was allowed. Appeal filed by the State against that order was dismissed. Ultimately, the matter was referred to the Arbitrator in the year 1974. Both the parties appointed one Arbitrator each in the month of

August, 1974. Arbitrators requested the government to appoint an Umpire as per rules, who was appointed in the month of June, 1977. In the meantime, Arbitrator appointed by the petitioner had died. The petitioner appointed another Arbitrator on 2.8.1986. Fee of the Umpire was not fixed. Matter continued to shuttle, in various departments of the government and ultimately, fee of the Umpire was fixed on 15.2.1985. Thereafter, the proceedings were started by the Arbitrators on 21.1.1987. At that time, objection was raised by the petitioner that as the time had expired to pass the award, the Arbitrators have no jurisdiction to proceed further. Faced with the objection, referred to above, respondent filed an application for extension of time, which was allowed, vide order, under challenge. The matter is pending admitted since the year 1993. The proceedings were stayed vide order dated 25.11.1993.

After hearing counsel for the parties, this Court feels that if the proceedings are allowed to proceed further, it will take another decade to complete the arbitration proceedings. In the present case, the matter was referred to the Arbitrator in the year 1974. Matter could not proceed further for want of appointment of an Umpire, who was appointed in the year 1985. Admittedly, at present, none of the Arbitrators and also the Umpire is available, to continue the proceedings further. Process will have to be initiated again, which will further delay disposal of the pending suit.

Shri Sibal has fairly stated that he has no objection if the trial Court is directed to proceed further with the pending suit and directed to dispose it of expeditiously. This request has been opposed by Shri Chhina.

In view of facts of this case, the revision petition is allowed. Order under challenge is set aside. Trial Court, before whom, the suit is

pending, is directed to dispose of the same, expeditiously, preferably within one and a half year.

Parties are directed to appear before the trial Court on 18.12.2006.

November 29, 2006 **(Jasbir Singh)**
gk **Judge**